

TORONTO GLOBAL 2021/2022 BUSINESS PLAN

April 1, 2021 –
March 31, 2022



YOUR
REGION
FOR
BUSINESS

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INTRODUCTION

Setting a Course for the Future

As the global pandemic continues to create strong economic headwinds, Foreign Direct Investment (FDI) will become an increasingly important tool in the rebuilding and recovery of our economy. FDI brings new jobs and investment – fueling economic growth and working to build prosperity across the Toronto Region.

As the region's leading investment attraction agency, we see our role as championing that rebuilding and recovery effort – and doing it in a big way. By leveraging the Toronto Region's competitive advantages and strengths, and working closely with our partners, we will focus our efforts on attracting large scale companies and projects that have the greatest economic impact across the Toronto Region, as well as prioritizing our target markets for maximum impact. Noting the importance of our partners and stakeholders in achieving our long-term goals, we will create a team focused on building and maintaining these important relationships.

As we enter 2021, the devastating worldwide economic impact of the global pandemic is becoming clearer. According to the January 24, 2021 UNCTAD report, global FDI flows fell a staggering 42%. Canada saw a 34% decline and the United States a 49% decline in FDI. As our economy gradually reopens, competition for investment projects will be fierce.

As the business and financial capital of Canada, the country will look to the Toronto Region to help lead the way in our domestic recovery. We believe Toronto Global is uniquely positioned, alongside our partners, to be at the forefront of these recovery efforts.

In the face of the global pandemic, we are rolling over our existing Business Plan for 2021/2022. We have updated the plan and believe it is set to meet the challenges post COVID head-on. While the nature of our business has changed, we will remain flexible and adaptable in our approach to attracting FDI with a clear long-term vision in mind: to ensure that the Toronto Region is viewed as a top destination for FDI globally, and position Toronto Global as one of the top FDI organizations in North America.

Approach to Business Planning in 2021/2022

Since the global pandemic was declared in March 2020, Toronto Global has taken a flexible approach to its business planning and budgeting process for the year, while conservatively managing operating and capital expenditures. Using a two-pronged approach to our planning and budgeting cycles, we tabled an interim business plan for the first six months of 2020 that ran from April 1, 2020 to September 30, 2020. For the remaining half of the fiscal year, we tabled a second six-month Business Plan covering the period from October 1, 2020 to March 31, 2021. We had hoped that plan would be implemented while we were in recovery but that has not been the case. Accordingly, we are rolling over and updating that recovery plan to serve as our roadmap for 2021/2022. This will be in conjunction with our work on a five-year strategic plan for the organization in 2021.

We are basing this plan on the external environment stabilizing in the second half of the fiscal year, with the roll out of vaccines in the second and third quarters. We believe both the external environment and global economy are still in recovery, with limited growth at this juncture. Taking into account the current domestic and global economic environment is essential in setting the context for our approach to business for the balance of 2021/2022.

It is important to note that this plan continues to reflect a substantive change in the way we do business. We have moved almost completely online. While our investment inquiries continue unabated, the way we work has gone digital. This reflects a trend right across the investment attraction landscape. In moving forward, we envision the continuation of staff and investors working online with a move to a hybrid set up for our staff as the vaccines roll out in the latter part of the year.

This plan also sets forth metrics for the organization for the next fiscal year. While at this stage we are still in uncharted waters, we have laid out performance ranges and targets that reflect the current volatile economic environment. All Toronto Global staff are guided by performance metrics and targets set by the Board, and while it is impossible to predict outcomes in the current context, we have done a thorough review of our pipeline and prospects to establish a range of potential outcomes over the course of the year. We will be closely evaluating the reopening of our domestic and the global economy and will bring regular updates to the Board and our funding partners.

Finally, this plan reflects the priorities of our new CEO who took over the leadership of Toronto Global in the middle of the pandemic and has worked assiduously to ensure we left no stone unturned as we develop a forward looking plan for the business and financial capital of the country. Under his leadership, we will be undertaking the important work to develop the strategic plan for the organization in 2021.

CURRENT GLOBAL MARKET ENVIRONMENT

Global FDI Flows

As we enter the first half of 2021, a full domestic and global economic recovery has yet to take place. Current projections across leading organizations from Global Affairs Canada, the IMF, World Bank, UNCTAD and the Bank of Canada point to a continuing decline in global economic trade and investment flows:

- + Global FDI flows are predicted to continue to drop and remain weak throughout 2021. With greenfield project announcements in 2020, 35% lower than in 2019 this does not bode well for new investment in industrials sectors in 2021.
- + Global supply chains have been severely disrupted as economies were placed in lockdown, borders were closed, and companies and governments looked for options to rationalize and retool existing operations and processes to meet new demands.
- + Companies are rethinking expansion and growth decisions and have placed projects on hold as they focus on business continuity and cost containment. UNCTAD believes that “investors are likely to remain cautious in committing capital to new overseas productive assets.”
- + UNCTAD expects any increases in global FDI flows in 2021 to come not from new investment in productive assets but from cross-border M&As, especially in technology and healthcare – two industries affected differently by the pandemic.

Given that greenfield FDI flows declined globally by 42 percent in 2020, we know this situation will result in increased competition for international investments. Not only will the number of potential FDI projects be lower, but the size of those projects, both in terms of net new jobs and invested capital (capex) is also expected to be smaller. As a result of the border closures and other restrictions, combined with the decline in inbound FDI flows, international companies already established in market are projected to account for the majority of new investment projects versus new greenfield projects.

The Domestic Landscape

The COVID-19 pandemic has had a profound impact on the Toronto Region’s economy. For Toronto Global’s funding partners, the economic downturn has had an immediate effect, with firms experiencing significant revenue shortfalls, large reductions to the workforce, and mandated closures. Our municipal funding partners are further impacted by the immediate needs of local businesses and residents during the crisis, with resources being reallocated to respond to frontline service delivery and assistance efforts.

The Impact on Our Business

Similarly, the COVID-19 pandemic has had a pronounced impact on the organization's business model. Not only is the global pool of potential FDI projects smaller and competition higher, but the organization's ability to successfully close these transactions has been impacted.

While pipeline levels have remained healthy, Toronto Global's ability to achieve successful close-wins under the current definition is facing roadblocks that include travel restrictions, which prevent final project due diligence from being completed; site inspections and transfer of foreign workers; and COVID-19 lockdown measures that inhibit recruiting, site-related decisions, and a general ability to conduct business. In addition, recent changes to the labour market, including an increasing trend in remote working, and real estate markets, where the demand for physical office space has declined, present longer-term challenges to quantifying jobs and capital investment associated with a project. They also present enormous opportunities going forward as the Toronto Region has the potential to be an ideal place to locate remote working options for companies. Indeed, recent investment announcements in the region have reflected this trend.

Despite these daunting economic headwinds, we are very pleased with the results we have been able to deliver to-date.

We remain very optimistic about the future for the region. The attributes that made us the fastest growing urban metropolitan region and tech hub in North America in 2020 continue to be a huge advantage for us. We are committed to seizing every opportunity to leverage our number one advantage, a talent pipeline that offers businesses access to the best educated and most diverse workforce in the country. Our number one goal is to ensure that the Toronto Region leads the recovery as the best location for investment in North America.

RESULTS-TO-DATE

Despite the current global context, our team was able to deliver significant results for the region in the last fiscal year. As of March 31st, 2021, our results against KPIs are:

- + Investments: 22
- + Jobs (over three years): 1,287
- + CAPEX (over three years): \$291-million

KEY PERFORMANCE INDICATORS

Recognizing the impact to our business, we had to revisit our previous 2020/2021 Key Performance Indicators (KPIs) to reflect the pandemic's impact to our business. In-line with projections in FDI flows, and analysis of our existing pipeline and forward-looking economic indicators, we revised our KPIs, and developed a target range of new investments, jobs and capex that reflected the current level of global uncertainty. These formed our core KPIs for the entire 2020/2021 fiscal year and we will be replicating that process for the 2021/2022 fiscal year.

	CORE KPIs
INVESTMENTS	25 - 30
JOBS	1,000 - 1,200
CAPITAL EXPENDITURE (\$ million)	150 - 190

Additionally, we track a supplementary range outside of our core KPIs, reflecting other types of investment projects where Toronto Global facilitated additional economic growth outside of traditional greenfield FDI, including mergers, acquisitions, remote work operations and domestically sourced projects as part of our response to the pandemic and firms' evolving investment preferences. We will continue to remain flexible in our approach to projects that drive economic growth, while remaining focused on greenfield FDI.

We are optimistic that the increased activity in our pipeline will yield a higher level of investments in 2021-22, which will reflect the new realities of work from home and other related investment types.

INVESTMENT ATTRACTION

The Investment Attraction team is the front line of our organization and represents the core of Toronto Global's work, with the organization's KPIs aligning directly with the team's activities. While the first six months of 2020-21 were focused on protecting our pipeline of leads and ensuring the Toronto Region remained top of mind for potential investors and key partners, the second half of the fiscal year introduced a number of new investment attraction initiatives that met the challenges of the global economic downturn head-on. In doing so, the team focused on moving our prospecting and outreach efforts fully online – continuing to engage industries and markets that signaled the need for expansion and continuing to target larger projects with higher economic multipliers. Our efforts remained adaptable and flexible in driving economic growth, as we sought additional opportunities outside of traditional greenfield FDI to add jobs and build economic growth across the Toronto Region, thus doing our part to enhance the region's recovery.

Our tactics will continue to be heavily proactive in nature, recognizing the increase in competition globally for a shrinking stock of FDI projects. We will aim to focus those efforts on recruiting large, high-impact and globally recognized firms (i.e. Fortune 1000), and prioritize projects that yield 300 plus jobs, which will continue to grow and solidify our place as one of the premier business and financial centres in North America. In doing so, we will be re-evaluating how we recognize and incentivize our team to win these "impact deals" for the Toronto Region. As part of this push, Toronto Global will continue to build out a team dedicated to sourcing these strategically important projects as well as capitalizing on our number one advantage: talent.

Finally, in light of the repositioning of global supply chains, we are working to bring onshoring and/or reshoring activity to the Toronto Region through a program with supplemental funding from FedDev Ontario. We are in the final stages of negotiating a contribution agreement and statement of work for the project that will involve working side by side with our partners and stakeholders across the region.

Capitalizing on our Talent Advantage

Recognizing the central role talent plays in today's knowledge economy, and its factoring in firms' relocation and expansion decisions, Toronto Global will continue to build capacity within the Investment Attraction team that specifically captures the strengths of our talent advantage across the region and uses this knowledge centre as a tool in recruiting firms to the Toronto Region as well as advancing opportunities through our pipeline.

Proactively Targeting Key Sectors and Markets

Toronto Global's pipeline of opportunities represents the organization's collective efforts in investment attraction and is our strongest asset. The investment attraction team will continue to proactively target markets and sectors that have the highest potential for FDI. In doing so, we have re-evaluated our priority markets to focus on those with the greatest return during the global pandemic. In addition, while travelling to market will not be possible in the

immediate short to medium term, the Investment Attraction team will continue to pivot toward new methods of engaging with clients remotely. Initiatives include:

- + Continuing to build on the use of digital outreach techniques with clients and partners, with the goal of remaining a leader when it comes to client service and engagement with in-market partners.
- + Engaging firms and industries that show signs of growth or have an active need to undertake expansion projects during this time. In particular, technology-related opportunities across all sectors will remain a major focus as digitally driven businesses continue to show growth.
- + Continuing to focus on supply chain-related opportunities. Toronto Global has developed a targeted program called SCORE (Supply Chain Onshoring, Resilience and Expansion) to actively target foreign firms as they re-evaluate their supply chains and attract these operations to the Toronto Region. As noted, we have secured FedDev Ontario support, our federal funding partner, for incremental funding for this project. Funding will be used to form a distinct project team to manage the program and work with our partners.
- + Monitoring growth signals across other sectors and verticals and positioning the team to take advantage of opportunities immediately, ensuring the Toronto Region is ‘top of mind’ for investment.
- + Adding additional resources to markets where we are seeing the strongest activity as well as enhancing our ability to undertake a tactical and strategic approach to attracting large scale investments.

Exploring Additional Opportunities to Generate Economic Growth

Recognizing the role FDI plays in economic recovery, and the severe impact the pandemic has had on our funding partners, Toronto Global will focus supporting recovery efforts on generating economic growth outside of traditional FDI. In doing so, we are following best practices used by our domestic counterparts and Invest in Canada and moving to take advantage of quickly emerging trends in both the domestic and global economy, including an increasing focus from multinational firms on mergers and acquisitions, and a movement toward remote working models.

Similarly, with the decline in foreign investment flows, domestic projects have risen in prevalence. Recently released figures from Statistics Canada, UNCTAD and firms such as Wavteq support this analysis.

In working with our clients and prospective investors, we are receiving strong signals that, during these times of uncertainty and rebuilding, there is increasing interest in these types of transactions. The Investment Attraction team is well positioned to help facilitate these transactions and ensure that economic value is captured.

In particular, the pandemic hastened the trend of firms moving to full or hybrid remote-working models (where employees or other workers do not travel to a physical office for their daily work). Since the onset of the pandemic, remote working in Ontario increased from 6.3% of the workforce, to 22.5% after March 31, 2020, a 257% increase. This has been particularly true in industries employing so-called “knowledge workers.” Forecasts from a number of consulting

firms indicate that remote working is set to increase over the next few years, with many firms looking to take advantage of increased productivity and reduced overhead costs.

Accordingly, we will be actively targeting remote working expansion projects across our target markets, provided they meet a number of criteria that ensure economic value is being created within the Toronto Region.

In all cases, we will work directly with our funding partners to ensure there is no duplication, overlap or infringement upon prior relationships. We will remain flexible to other types of projects where there may be economic value to the Toronto Region.

- + Opportunities involving mergers and acquisitions or joint ventures, provided there is tangible economic value derived from the project. We will focus on projects where there is a clear mandate to add additional jobs as part of the transaction.
- + Sourcing domestic investment projects, located outside of the Province of Ontario, provided these are expansions of existing business and not relocations. Where possible, this will be conducted in partnership with our local economic development counterparts across the country.

A Continued Focus on Regional Opportunities

The Investment Attraction team continues to prospect for projects with an expressed interest or need to locate within the 905 and works to present the full range of attributes across the entire region to potential investors. We will maintain our focus on working toward a more equitable and impactful distribution of investments throughout the entire region, moving toward a notional target of a 75/25 split in investments for the 416/905 areas over the course of five years.

To this end, despite the pandemic we had strong regional results in 2020-21. Of the 21 investments completed to date, five have located within the 905. In-line with our focus on pipeline diversification, targeted prospecting initiatives, and most importantly, working closely with our municipal funding partners, we continue to prioritize regional opportunities. We are also taking advantage of investors' immediate need for purpose-build facilities (for example, warehousing, manufacturing) found outside the downtown core. We have stepped up our regional initiatives, including:

- + Working with our municipal partners to capture core areas of investment readiness for each municipality and build a plan that identifies the key success factors to attract long term employment opportunities and investment growth. Inspired by Opportunity Zones, this would incorporate municipal development plans, key sites, cost advantages, and long-term objectives for each municipal funding partner and work to spread prosperity across the region.
- + Building on our Targeted Regional Campaigns where we work directly with EDO partners to run targeted prospecting initiatives based on local assets and regional strengths. Led by the investment attraction team, these projects will leverage the assets of the entire organization, including targeted prospecting, digital awareness campaigns, and development of business cases and information packages. The goal of these campaigns will be to recruit more companies that will locate within the 905 and build

stronger partnerships with our EDO partners. Our first campaign in 2020 for York Region offers a template for the campaigns we will execute in 2021 and 2022.

- + Targeting investment opportunities in sectors with higher economic multipliers to maximize the impact of FDI within the 905, particularly advanced manufacturing verticals and sub-sectors.
- + Working closely with municipal funding partners to identify gaps and opportunities in local supply chains and target international firms that can meet these challenges. We are prioritizing the areas of automotive, food and beverage, energy, medical devices, and pharmaceuticals.
- + Ensuring regular updates on projects expected to locate in the 905 are communicated to our EDO funding partners and continuing to understand the evolving needs of our EDO partners and to determine where our teams can add the most value.

Strengthening Partnerships

Partnerships will continue to be an increasingly important aspect of investment attraction. The inability to travel has increased our need to work closely with in-market partners, like the Trade Commissioner Service, provincial SEOs, and local chambers of commerce. Domestically, organizations like Invest in Canada, the Province of Ontario (including the upcoming Invest Ontario organization) and regional economic development offices will also continue to be important partners as we work toward recovery.

In particular, we worked alongside the Toronto Region Board of Trade in the development of the Reimaging and Recovery Framework (RRF), which will be vital to the region's rebuilding efforts. We are also working to support the municipalities of the GTA as part of the Greater Toronto Area Economic Development Alliance, a group dedicated to sharing best practices, programs, and insights on how to support recovery efforts through economic development. Finally, local industry groups and innovation centres, like universities and colleges, will continue to strengthen the organization's network. Stakeholder and partnership initiatives include:

- + Ensuring the region continues to be showcased as a premier destination for investment, and that Toronto Global remains top of mind and a partner of choice with partners, multipliers and other interlocutors. This will include an evaluation of Toronto Global's stakeholder network to identify opportunities to both strengthen relationships and expand the network in support of Toronto Global's mandate.
- + Gathering additional intelligence from key markets and sectors on the impact of the COVID-19 pandemic and where foreign firms can play a role in recovery through FDI.
- + Working closely with sector experts in both industry and at the EDO level to enhance our sector knowledge and move opportunities through the sales funnel.
- + Growing our partnerships with research institutions, universities and colleges where the relationship between firms pursuing projects and knowledge-based investment projects remains strong, even during this economic downturn.

MARKETING & COMMUNICATIONS

With the onset of the global pandemic, it became clear that international travel was not possible for the Investment Attraction team, which put an enhanced focus on using digital means to complement the sales team's efforts to prospect and follow up with clients. Working closely with the Investment Attraction and Talent and Business Insights teams, the Marketing and Communications team designed several initiatives to engage our audience and embark on new tactics to generate high quality leads for follow up by the Investment Attraction team. Over the past year, the team has generated content in the form of news releases, Op-eds, success stories, blogs and newsletters that showcased the work our organization was doing to rebuild the regional economy through the attraction of businesses that will contribute to the regional GDP, address gaps in the supply chain, and create high value jobs. In addition to working closely with our clients on their investment announcements, we also worked to amplify their reach in the region across multiple platforms. Building on this groundwork, we will continue to position the Toronto Region globally as the prime location to invest and generate new economic opportunities by inviting international investors to engage with our team to explore expansion into a market that has shown resilience, strength and collaboration through difficult times.

SEO Strategy

The Marketing and Communications team will continue to execute the SEO Strategy working alongside our SEO Consultant, Search Engine People. This work includes ongoing on-page recommendations and Authority Building link implementation, and monitoring/optimizing the "Always-in-Market" Search/Display PPC (Pay Per Click) Campaigns. In addition, the team will launch a Conversion Rate Optimization project in April 2021. Conversion Rate Optimization (CRO) is the practice of increasing the percentage of users who perform a desired action on a website, such as filling out a lead form to provide their contact information. The CRO project will take 6-12 months to execute, and upon completion it will help to identify, improve and enhance the user experience, call to action, and ultimately, conversion rates across the site.

Digital Campaigns

In addition, continuing to work with the Investment Attraction and Talent and Business Insights teams, we will continue to design and launch a series of targeted campaigns focused on enhancing awareness of key sectors and subsectors of focus for our team, and generating leads that will assist with the distribution of investments across the entire Toronto Region. For example:

- + Tech Dashboard: In June 2020, in tandem with the Collision at Home virtual conference, the Marketing & Communications team launched the regional Tech Dashboards on our technology page of our web site. We drove traffic to the new pages using organic posts across our social media channels that leveraged the hashtags and conversations online surrounding the conference and the strengths of the regional tech industry.
- + Regional Campaigns: Working with the Investment Attraction team, we will leverage our digital assets in support of the Targeted Regional Campaigns noted

earlier. These campaigns build on and highlight specific regional assets through digital marketing. Initiatives could include targeted awareness campaigns, social media campaigns and display campaigns that leverage advanced keyword and targeting techniques to enhance awareness of these assets in key markets and generate additional leads. Our first campaign, in partnership with York Region, was launched in the fourth quarter of 2020. Our next campaign will be with Durham Region, to be launched in the second quarter of 2021.

Website

To optimize user experience on torontoglobal.ca, the Marketing and Communications team has reviewed and selected a Chatbot tool to implement across our website. The goal of the Chatbot is to use artificial intelligence to engage visitors to the website, direct them to relevant information on the site, respond to initial questions they may have, and connect them with the appropriate advisor on our team. The benefit of the Chatbot is that it is working around the clock, capturing leads from across the world in different time zones. While we are looking at implementing the Chatbot later this quarter, the tool will be consistently updated and optimized to reflect the ever-changing landscape we are operating in, as well as the needs of our clients.

Stakeholder Communications

With the onboarding of the Director, Stakeholder Relations and Strategic Projects position, 2021-22 will focus on developing and implementing several key stakeholder communications initiatives, including:

- + Customer Relationship Management system enhancements to support a coordinated and proactive approach to stakeholder engagement and allow for improved tracking and reporting of all stakeholder relationships, activities and interactions;
- + Introduction of annual (third-party) client and partner surveys designed to better understand the Toronto Global client and partner experience, identify and inform opportunities for improvement and measure the impact of engagement initiatives;
- + Develop and introduce a 'Toronto Global partner recognition program to recognize the important contributions that partners make towards Toronto Global's ability to successfully promote the Toronto Region and attract foreign-owned business
- + Inform key stakeholders of Toronto Global activities and results through the new quarterly Toronto Global Connections Newsletter and/or newly developed communication channels as identified to best meet various stakeholder communications requirements.

Thought Leadership

As the region's leading investment attraction agency, we have an important role to play in supporting the Toronto Region's pandemic recovery. It is important to recognize the value of FDI as an important component of economic growth and to identify and champion issues that will impact the Toronto Region's ability to compete with other jurisdictions around the world for – what will likely continue to be - a reduced number of FDI projects. Towards those objectives, in 2021/2022 Toronto Global plans to:

- + Host a Summit in June with key leaders from all three levels of government under the banner of “Stronger Than Ever” to showcase the value proposition of the region to international clients and thought leaders
- + Undertake a Toronto Region FDI Impact Study in collaboration with the Consider Canada Communities Alliance to articulate the importance of FDI to the Canadian and Toronto Region economy
- + Develop and introduce ‘FDI Impact Awards’ in partnership with member municipalities that recognize the positive impact international companies make within our local communities and the Toronto Region overall
- + Build on Toronto Global’s involvement with the Toronto Region Board of Trade’s Reimagining Recovery Framework by championing efforts to address critical issues impacting Canada and the Toronto Region’s ability to attract new foreign investment through Op-Eds, events, speaking engagements, working groups and strategic advocacy partnerships.

TALENT & BUSINESS INSIGHTS

Working alongside the Investment Attraction and Marketing and Communications teams, the Talent and Business Insights team will be providing critical knowledge and intelligence that will allow us to ensure we are driving and prospecting the type of FDI opportunities that are aligned with, and have a positive impact on regional economic development and the recovery going forward.

We will be targeting our efforts through the following initiatives.

Building Sector Expertise

As part of our ongoing efforts to hone in on industries and sectors of strength that will aid in the Toronto Region's economic recovery effort, this year will see the Talent and Business Insights team:

- + Continue to expand our knowledge base in areas such as advanced manufacturing and life sciences, leveraging our partnerships and the results of our strategic projects completed to date.
- + Seek out areas of opportunity that can help rebuild and retool the Toronto Region economy as we recover post-COVID-19. These areas will include looking for global investors that are community builders and can leverage the diversity and assets across the region.
- + Continue to engage our network of sector experts and municipal partners to identify areas where Toronto Global can play a role in attracting and supporting companies.
- + Expand our partnerships and knowledge base by engaging with groups such as Invest in Canada, the Toronto Region Board of Trade, and the Economic Blueprint Institute through their recovery work. Toronto Global has established a reputation for delivering high-quality information to our clients and partners. We will continue to uphold this standard and work to gather insights from relevant experts and industry groups.

Modify Investor Pitch Material

Toronto Global's client engagement materials and tools will continue to require modification to reflect changes in the Toronto Region value proposition in this recovery period. The Talent and Business Insights team will:

- + Work closely with the Investment Attraction team and partners to ensure our business cases reflect the needs of clients and our regional partners. We will be focusing on expanding our content in growth sectors and verticals identified by our partners and the Investment Attraction team.
- + Supplement the development of our sector knowledge by continuing to create targeted business case material for our Investment Attraction team for key sectors, markets, and

clients, including emerging sectors such as E-mobility, batteries, charging stations, blockchain and cybersecurity.

- + Leverage insights and knowledge from our clients to understand global changes to labour, supply chains, and other sectors. Understanding their value add and impact at the local level will be an important component in guiding our work.

Expand and Enhance Regional Content

To support our efforts to drive a greater share of investments to the 905, the Talent and Business Insights team will:

- + Continue to build upon high-level value propositions and business case content highlighting the 905, while developing a larger roster of regional expertise.
- + Develop asset maps for the region that highlight our strengths in critical sectors such as AI, advanced manufacturing, life sciences and financial services.
- + Support economic development officers in our partner municipalities with data and content as a critical part of addressing the need for enhanced regional engagement and input into our work in rebuilding our economy and leveraging new opportunities across the region in this new economic environment.

HUMAN RESOURCES & BUSINESS OPERATIONS

As we have past the one-year mark of COVID 19, we continue to be extremely proud of our employees and thankful for the way they have conducted themselves and remained committed to their respective mandates during these challenging times. The level of engagement and initiative they have all demonstrated is a testament to their enthusiasm, work ethic, professionalism, and commitment to Toronto Global.

Staffing

In aligning new priorities for the organization, we have added to our staff at Toronto Global with the onboarding of a new position of Director of Stakeholder Relations and Strategic Projects. We have also repositioned the research team under the new banner of Talent and Business Insights and are looking to recruit for a newly created position of a Director, Talent & Business Insights as well as a Business Insights Analyst as a result of a recent departure. Within our Investment Attraction team, as a result of India providing to be a fast-growing market for Toronto Global, we have added a new Director role to head up that region.

In support of developing in house talent, we are excited to be folding into the organization a newly created Co-Op student program as well as hiring one to two Summer Students.

We continue to assess if there are other staffing needs we may to fold into our overall structure in 2021.

Return to Premises

With the exception of six weeks between Labour Day and mid-November 2020, our staff have worked from home for the past year. For those six weeks, our staff had access to the office on a voluntary basis, within assigned clusters that ensured a limited number of staff per day were accessing the office and social distancing was maintained for all our staff's safety.

Our hope is that we will be able to welcome our staff back to the office by June 2021. We will maintain the assigned clusters for staff once that occurs to ensure we maintain appropriate health & safety best practices and precautions.

Diversity & Inclusion

Our Diversity & Inclusion Task Force continues to do its important work. Toronto Global strongly believes this is an opportune and necessary time to complete a thorough review of all aspects of our human resources and Business Operations practices through a Diversity and Inclusion lens.

The Task Force has committed to ensuring it reviews all aspects of HR & Business Operations policies and procedures are reviewed, inclusive of all hiring practices, to ensure no unconscious bias is in place in any way.

Health & Wellness Initiatives

Our staff's health and safety, both mentally and physically, has been and continues to be our primary concern during these unique and challenging times. We are pleased to have folded into our benefits package an additional offering, which is committed to providing spiritual, physical and mental support. This is addition to the already existing benefits offerings, continue to support our staff through these challenging times.

We will also be introducing BRAVO staff recognition awards in 2021/2022, a new program that will be based on peer nominations and administered by an employee base committee led by Human Resources.

Business Operations

Business Operations goal is to ensure we provide all necessary support and tools to all Toronto Global staff on a proactive basis to ensure they are able to work at their most productive levels. We have put processes in place to ensure no disruption to staff or our vendors, as we continue to "keep the lights on" while working remotely, ensuring all bills are paid and commitments are met thereby ensuring our staff have all the tools and support they need to achieve their goals, even during a pandemic.

We continue to provide our staff any additional tools they need (both IT and other) as they continue to work from home.

GOVERNANCE

Toronto Global's Board of Directors is responsible for the governance, stewardship, and strategic direction of the organization. The Board is supported in its endeavours by the efforts of two Board Committees: The Audit and Finance Committee and the Human Resources and Governance Committee.

The Board will continue to focus on the following for the balance of 2021/2022:

- + Successfully building out of a five-year strategic plan under the direction of the CEO. The team has developed and signed a statement of work with Deloitte who will lead the strategic planning process as we design the work plan and consultations that will input directly into the plan
- + Recruitment of new Board Members who reflect a broad and diverse background, ensuring they complement existing Board competencies and skills and provide a geographic representation of the Toronto Region.
- + Working with our Board consultant we will be conducting a search as well for a new Vice Chair who will eventually assume the Chair's role in March of 2023.

BUDGET

The full year budget for fiscal year 2021/2022 is estimated at approximately \$8.9 million. Funding from the CanExport Community Investments program for 2021 is approximately \$204,000 compared to \$478,000 in 2020. A new two year SCORE program is expected to commence in 2021 and costs of approximately \$1.4 million is expected to be reimbursed for this fiscal year. At the end of February, Toronto Global's financial reserves included cash of \$1.6 million and a revolving line of credit of \$538,000.

This budget has been prepared assuming some Toronto regions start the year still in lockdown and the Toronto Global offices are still closed. While recovery efforts are under way, it is difficult to predict when specific assumptions such as travel for example will start to normalize again. Accordingly, this budget contains cost assumptions similar to the previous budget while allocating resources to support the initiatives laid out in this business plan. The fiscal budget for 2021/2022 has been prepared with the following key assumptions:

- + The Toronto Global office will be reopened in the summer of 2021 and employees will be gradually returning to work and meeting with clients in compliance with government guidelines.
- + The SCORE Program will be a separate-funded initiative and is estimated to cost approximately \$3 million for two years. Reimbursed costs are expected to be approximately \$1.4 million in the first year which includes \$450,000 reimbursement related to the CCCA partners in this program. These additional costs are aggregated primarily in the salaries, lead generation services and investment and research tools lines.
- + Toronto Global expects limited travel but will assist and participate in virtual missions.
- + Labour and staff costs also reflect the full year costs of a new Stakeholder Relations Director (started in January 2021) and a new Investment Attraction Director of India (started in December 2020) to support lead generation.
- + Marketing and Communications will support the investment attraction activities with digital marketing initiatives including SEO and Social Media Campaigns (\$85,000) including another regional campaign.

2020/2021 Budget – Full Year View

Toronto Global

2021/2022 Budget - Full Year

	<u>Full Year</u>
	Total
Labour and staff costs	6,053,200
Professional Services	
Lead Generation Services	1,040,000
Accounting & Audit Fees	130,000
Legal Fees	20,000
Industry/Sector Research & Benchmarking Tools	395,000
Creative Design Marketing Services	412,500
Digital and Social Media Strategy	85,000
Website Design and Maintenance	5,000
Total Professional Services Costs	2,087,500
Office Expenses	340,000
Rent & Occupancy Costs	410,000
Travel (Airfare/ Hotel/ Conventions/ Misc. Travel)	10,000
Capital Costs	
Facilities Improvements	10,000
IT Capital Expenditures	5,000
Furniture and Fixtures	10,000
Total Capital Costs	25,000
Total Expense Budget	8,925,700

CONCLUSION

This business plan continues ongoing work in these reflects extraordinary times for our region. A crisis of this magnitude has challenged all our operating assumptions and ingenuity. Yet, there exists great confidence in our ability to rebuild and become stronger, as we help redesign an increasingly resilient economy for the future. At the heart of this plan is our steadfast commitment to stand alongside our partners in our recovery efforts. It identifies and incorporates concrete goals for Toronto Global and offers a continued work plan that outlines key initiatives and activities for the organization to undertake in pursuit of these objectives. Obtaining continued feedback from our funders and stakeholders is critical to our business planning process to ensure widespread coordination and collaboration as we move forward.

Toronto Global plays an essential role in promoting the widespread attributes that make the Toronto Region a competitive jurisdiction for global investors. We represent a formidable economic region that is attractive to international business across all sectors. Interest from international investors in our pipeline remains strong. Our clients envision the recovery to come in different phases, which will be reflective of the performance of individual business sectors and the timing in which various international markets recover and open. The future state of the Toronto Region's economy will be shaped, in part, by our collective response to the crisis. We stand ready with our partners to help build and implement that important roadmap for recovery.